

LOCAL TELEPHONE COMPANY

ANNUAL REPORT

OF THE

RECEIVED
03/08/17
ARK PUBLIC SERVICE COMMISSION
AUDIT SECTION

NAME McLeodUSA Telecommunications Services, LLC

(Here show in full the exact corporate, firm or individual name of the respondent)

LOCATED AT 4001 N Rodney Parham Rd, Little Rock, AR 72212

(Here give the location, including street and number of the respondent's main business office within the State)

COMPANY # 234

(Here give the APSC-assigned company number)

TO THE

ARKANSAS PUBLIC SERVICE COMMISSION



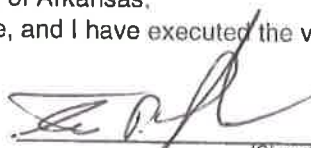
COVERING ALL OPERATIONS

FOR THE YEAR ENDING DECEMBER 31, 2016

LETTER OF TRANSMITTAL

To: Arkansas Public Service Commission
Post Office Box 400
Little Rock, Arkansas 72203-0400

Submitted herewith is the annual report covering the operation of McLeodUSA Telecommunications Services, LLC
(Company)
of 4001 N Rodney Parham Rd, Little Rock, AR 72212 for the year ending December 31, 2016. This report is submitted in
(Location)
accordance with Section 51 of Act 324 of the 1935 Acts of Arkansas.
The following report has been carefully examined by me, and I have executed the verification given below.

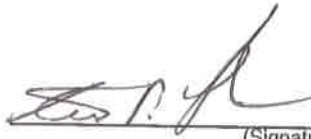

(Signature)

Director - Regulatory Reporting
(Title)

VERIFICATION

STATE OF ARKANSAS)
) ss.
COUNTY OF PULASKI)
I, the undersigned, Tim P. Loken, Director - Regulatory Reporting of the
(Name and Title)
McLeodUSA Telecommunications Services, LLC, on my oath do say that the following report has
(Company)

been prepared under my direction from the original books, papers, and records of said utility; that I have carefully examined the same, and declare the same a complete and correct statement of the business and affairs of said utility in respect to each and every matter and thing set forth, to the best of my knowledge, information, and belief; and I further say that no deductions were made before stating the gross revenues, and that accounts and figures contained in the foregoing statements embrace all of the financial transactions for the period in this report.


(Signature)

Subscribed and sworn to before me this 7th
day of March 2017
My Commission Expires 7-27-2023

SHELLY V. MCGHEE
PULASKI COUNTY
NOTARY PUBLIC - ARKANSAS
My Commission Expires July 27, 2023
Commission No. 12304695


(Signature of Notary)

REPORT TO ARKANSAS PUBLIC SERVICE COMMISSION

GENERAL INSTRUCTIONS, DEFINITIONS, ETC.

- 1 Two (2) copies of this report, properly filled out and verified shall be filed with the Utility Division of the Arkansas Public Service Commission, Little Rock, Arkansas, on or before the 31st day of March following the close of the calendar year for which the report is made.
- 2 The word "respondent" in the following inquiries means the person, firm, association or company in whose behalf the report is made.
- 3 If any schedule does not apply to the respondent, such fact should be shown on the schedule by the words "not applicable."
- 4 Except in cases where they are especially authorized, cancellations, arbitrary check marks, and the like must not be used either as partial or entire answers to inquiries.
- 5 Reports should be made out by means which result in a permanent record. The copy in all cases shall be made out in permanent black ink or with permanent black typewriter ribbon. Entries of a contrary or opposite character (such as decreases reported in a column providing for both increases and decreases) should be shown in red ink or enclosed in parentheses.
- 6 This report will be scanned in. Please bind with clips only.
- 7 Answers to inquiries contained in the following forms must be complete. No answer will be accepted as satisfactory which attempts by reference to any paper, document, or return of previous years or other reports, other than the present report, to make the paper or document or portion thereof thus referred to a part of the answer without setting it out. Each report must be complete within itself.
- 8 In cases where the schedules provided in this report do not contain sufficient space or the information called for, or if it is otherwise necessary or desirable, additional statements or schedules may be inserted for the purpose of further explanation of accounts or schedules. They should be legibly made on paper of durable quality and should conform with this form in size of page and width of margin. This also applies to all special or unusual entries not provided for in this form. Where information called for herein is not given, state fully the reason for its omission.
- 9 Schedules supporting the revenue accounts and furnishing statistics should be so arranged as to effect a division in the operations as to those inside and outside the state.
- 10 Answers to all inquiries may be in even dollar figures, with cents omitted and with agreeing totals.
- 11 Each respondent should make its report in duplicate, retaining one copy for its files for reference, in case correspondence with regard to such report becomes necessary. For this reason, several copies of the accompanying forms are sent to each utility company concerned.

REPORT TO ARKANSAS PUBLIC SERVICE COMMISSION

Give the name, title, office address, telephone number and e-mail address of the person to whom any correspondence concerning this report should be addressed:

Name Stephanie D. Marsh Title Senior Analyst - Regulatory Compliance
Address 4001 N Rodney Parham Rd, Little Rock, AR 72212
Telephone Number 501-748-7897
E-Mail stephanie.d.marsh@windstream.com

Give the name, address, telephone number and e-mail address of the resident agent:

Name The Corporation Company Telephone Number _____
Address 124 West Capitol Avenue, Suite 1900, Little Rock, AR 72201-3736
E-Mail _____

REPORT TO ARKANSAS PUBLIC SERVICE COMMISSION

IDENTITY OF RESPONDENT

1. Give the exact name by which respondent was known in law at the close of the year. Use the initial word "The" only when it is part of the name:

McLeodUSA Telecommunications Services, LLC
2. Give the location (including street and number) of (a) the main Arkansas business office of respondent at the close of the year, and (b) if respondent is a foreign corporation, the main business office if not in this state:

(a) 4001 N Rodney Parham Rd, Little Rock, AR 72212 (b)
3. Indicate by an x in the proper space (a) the type of service rendered, and (b) the type of organization under which respondent was operating at the end of the year.

(a) () Electric, () Gas, () Water, (☒) Telephone, () Other

(b) () Proprietorship, () Partnership, () Joint Stock Association,
() Corporation, (☒) Other (describe below): Limited Liability Company
4. If respondent is not a corporation, give (a) date of organization, and (b) name of the proprietor or the names of all partners, and the extent of their respective interest at the close of the year.

(a) N/A

(b)
5. If a corporation, indicate (a) in which state respondent is incorporated, (b) date of incorporation, and (c) designation of the general law under which respondent was incorporated, or, if under special charter, the date of passage of the act:

(a) Iowa

(b) 07/26/1993 - Incorporated; 03/01/2010 - Converted from Corporation to Limited Liability Company

(c) N/A
6. State whether or not respondent during the year conducted any part of its business within the State of Arkansas under a name or names other than that shown in response to inquiry No. 1 above, and, if so, give full particulars:

PAETEC Business Services (Fictitious Name, See Attached Registration)

REPORT TO ARKANSAS PUBLIC SERVICE COMMISSION

7. State whether respondent is a consolidated or merged company. If so, (a) give date and authority for each consolidation or merger, (b) name all constituent and merged companies, and (c) give like particulars as required of the respondent in inquiry No. 5 above:
- (a) McLeodUSA Telecommunications Services, LLC is a subsidiary of Windstream Holdings, Inc.
- (b)
- (c)
8. State whether respondent is a reorganized company. If so, give (a) name of original corporation, (b) date of reorganization, (c) reference to the laws under which it was reorganized and (d) state the occasion of the reorganization, whether because of foreclosure of mortgage or otherwise, giving full particulars.
- (a) N/A
- (b)
- (c)
- (d)
9. Was respondent subject to a receivership or other trust at any time during the year? No
If so, state:
- (a) Name of receiver or trustee: _____
- (b) Name of beneficiary or beneficiaries for whom trust was maintained: _____
- (c) Purpose of the trust: _____
- (d) Give (1) date of creation of receivership or other trust, and (2) date of acquisition of respondent: (1) _____ (2) _____
10. Did the respondent act in any of the capacities listed in Paragraph (a) below during the past year? No _____ If so,
- (a) Indicate the applicable one by an X in the proper space:
- () Guarantor, () Surety, () Principal--obligor to a surety contract,
() Principal--obligor to a guaranty contract.
- (b) Insert a statement showing the character, extent, and terms of the primary agreement or obligation, including (1) names of all parties involved, (2) extent of liability of respondent, whether contingent or actual, (3) extent of liabilities of the other parties, whether contingent or actual, and (4) security taken or offered by respondent.

REPORT TO ARKANSAS PUBLIC SERVICE COMMISSION

DIRECTORS

Give the name and office addresses of all directors at the close of the year, and dates of beginning and expiration of terms. Chairman (*) and Secretary (**) marked by asterisks.

Name of Director	Office Address	Date of Term	
		Beginning	End
Anthony W. Thomas*	4001 N Rodney Parham Rd Little Rock, AR 72212	February 9, 2016	to Present
John P. Fletcher	4001 N Rodney Parham Rd Little Rock, AR 72212	February 9, 2016	to Present

PRINCIPAL OFFICERS AND KEY MANAGEMENT PERSONNEL

Give the title of the principal officers, managers and key personnel, the names and office addresses of persons holding such positions at the close of the year.

Title	Name of person holding office at close of year	Office Address
President & CEO Chief Financial Officer EVP - CHRO & General Counsel SVP & Corporate Secretary SVP - Treasurer VP - Controller	Anthony W. Thomas Robert E. Gunderman John P. Fletcher Kristi M. Moody Christie Grumbos John C. Eichler	4001 N Rodney Parham Rd Little Rock, AR 72212

REPORT TO ARKANSAS PUBLIC SERVICE COMMISSION

GROSS ASSESSABLE REVENUES	
Description	Amount
ARKANSAS GROSS ASSESSABLE REVENUES (excluding Interstate Tolls)	\$707,255.42

LOCAL EXCHANGE SERVICE STATISTICS

ACCESS LINES	ARKANSAS
Residence	0
Business	142
TOTAL RESIDENTIAL & BUSINESS ACCESS LINES	
PBX Access Lines	0
Coin or Credit Card Paystation Access Lines	0
Company Official Access Lines (Numbers)	0
TOTAL ACCESS LINES	142

STATEMENT OF ACCURACY

I do hereby state that the amounts contained in this report are true and accurate, schedules have been cross-referenced by use of the attached check list, and that the accuracy of all totals has been verified by me or under my supervision. Should I or anyone under my supervision become aware of any error in or omission from this report, I will take steps to notify the Arkansas Public Service Commission of such error or omission and provide corrected schedules as soon as possible.



Director - Regulatory Reporting

REPORT TO ARKANSAS PUBLIC SERVICE COMMISSION

COMPANY CONTACTS

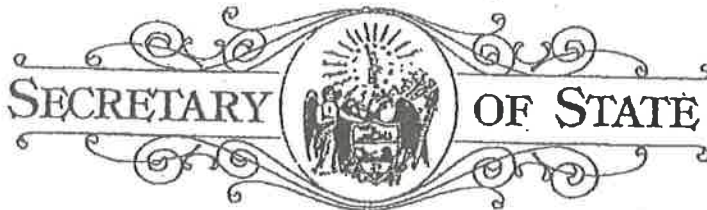
Company Information	
Company Name	McLeodUSA Telecommunications Services, LLC
dba	
Official Mailing Address	4001 N Rodney Parham Rd, Little Rock, AR 72212
Mailing Address for APSC Annual Assessment Invoice	4001 N Rodney Parham Rd, MailStop 1170 B1F2-12A, Little Rock, AR 72212

AREA	PERSON TO CONTACT	PHONE #	FAX #	E-MAIL
Annual Report	Stephanie D. Marsh	501-748-7897	501-748-6583	stephanie.d.marsh@windstream.com
APSC Annual Assessment	Stephanie D. Marsh	501-748-7897	501-748-6583	stephanie.d.marsh@windstream.com
Tariffs	Katherine Hoagland	585-340-2709		katherine.hoagland@windstream.com
Property Taxes	C. Scott Wheeler	501-748-5316		c.scott.wheeler@windstream.com
Regulatory Affairs	Jennifer Fagan	512-474-2985		wci.arkansas.govaffairs@windstream.com

Please list the number of utility employees located in Arkansas

None

STATE OF ARKANSAS



Charlie Daniels
SECRETARY OF STATE

To All to Whom These Presents Shall Come, Greetings:

I, Charlie Daniels, Secretary of State of Arkansas, do hereby certify that the following and hereto attached instrument of writing is a true and perfect copy of

Registration of Fictitious Name

of

PAETEC BUSINESS SERVICES

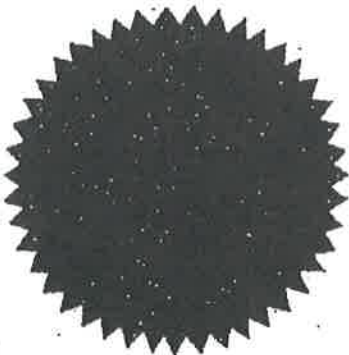
for

MCLEODUSA TELECOMMUNICATIONS SERVICES, INC.

filed in this office

January 11, 2008.

In Testimony Whereof, I have hereunto set my hand and affixed my official Seal. Done at my office in the City of Little Rock, this 11th day of January 2008.



Charlie Daniels

Secretary of State